

UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
GREENSBORO DIVISION

IN RE:)	
)	
TRI-G GROUP, LLC,)	CASE NO. 16- <u>10441</u>
)	Chapter 11
Debtor.)	
)	

APPLICATION BY DEBTOR-IN-POSSESSION TO EMPLOY ATTORNEYS

The Application of Tri-G Group, LLC, Debtor-in-Possession, respectfully represents:

1. On May 4, 2016, the above-captioned Debtor-in-Possession filed a petition herein for reorganization under the provisions of Chapter 11 of the Bankruptcy Code.

2. The Debtor-in-Possession has continued to be in possession of its property as a Debtor-in-Possession.

3. As Debtor-in-Possession, it will be necessary for your Applicant to be represented by an attorney in the performance of the duties imposed upon them. It will be necessary for your Applicant to have an attorney assist in investigating and examining contracts, bonds, mortgages, leases, financing statements and other related documents to determine whether the validity of such; to determine the rights and priorities of lienholders, if any; to advise in preserving the Debtor's properties and assets; and to generally assist the Debtor in administering this estate.

4. Your Applicant wishes to employ Charles M. Ivey, III and Samantha K. Brumbaugh, and members of the law firm of Ivey, McClellan, Gatton & Siegmund, L.L.P., of Greensboro, North Carolina to represent them in the administration of this estate. Said attorneys are experienced in such matters and are competent to render such services and advice to the Applicant.

5. The Debtor-in-Possession has agreed that Charles M. Ivey, III and Samantha K. Brumbaugh and members of the law firm shall be compensated and reimbursed as attorneys in this case in the manner approved by this Court from revenues generated during the course of this proceeding, and from the balance of the retainer paid to them as set forth herein which shall be retained in escrow and applied against the total final compensation allowed by this Court, or used to pay the fees and expenses of attorneys retained to represent

the Debtor for services rendered and expenses incurred as attorneys for Debtor-in-Possession, as approved by this Court.

6. Attached hereto and marked Exhibit "A" is an affidavit of the proposed attorneys.


7. Prior to filing, the law firm identified herein has assisted the Debtor by advising them concerning financial restructuring, financial options, and the legal status of debt obligations associated with the Debtor, and other matters related to its financial restructuring process. All prepetition fees and expenses drawn down against the retainer paid by the Debtor are as set forth in Exhibit "B" attached hereto.

WHEREFORE, the Applicant prays that the Court enter an Order authorizing the Debtor-in-Possession to employ Charles M. Ivey, III and members of the law firm of Ivey, McClellan, Gatton & Siegmund, L.L.P. on a general retainer to act in advising and representing the Debtor-in-Possession in this Chapter 11 proceeding.

RESPECTFULLY SUBMITTED, this the 4th day of May, 2016.



GUY G. GULICK, Member/Manager



Charles M. Ivey, III
NCSB #8333
Ivey, McClellan, Gatton & Siegmund, LLP
P. O. Box 3324
Greensboro, NC 27402
Telephone: 336/274-4658
Telefax: 336/274-4540

STATE OF NORTH CAROLINA

COUNTY OF GUILFORD

AFFIDAVIT OF PROPOSED ATTORNEY

CHARLES M. IVEY, III and SAMANTHA K. BRUMBAUGH make solemn oath:

1. That they and other members of the law firm of IVEY, McCLELLAN, GATTON & SIEGMUND, L.L.P. are attorneys duly admitted to practice in the State of North Carolina in this Court; and the law firm maintains an office for the practice of law at 100 South Elm Street, Greensboro, North Carolina.

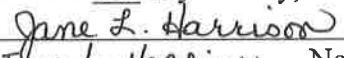
2. That Charles M. Ivey, III and Samantha K. Brumbaugh and other members of this law firm are not employees of the Debtor; that they and other members of this law firm have no interest not otherwise disclosed which is materially adverse to the interest of any of the creditors of the Debtor by reason of any other direct or indirect relationship to, connection with, or interest in the Debtor.

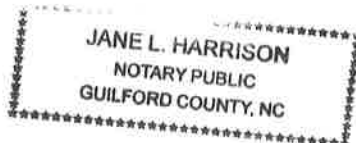
3. Except as herein disclosed, Charles M. Ivey, III and Samantha K. Brumbaugh and other members of this law firm have no connection with the Debtor, its creditors, or any other party in interest, or their respective attorneys, and he and other members of this law firm represent no interest adverse to the Debtor or estate in the matters upon which the firm is to be engaged.

This the 3rd day of May, 2016.


Charles M. Ivey, III
NCSB #8333


Sworn to and subscribed before me,
this the 3rd day of May, 2016.


JANE L. HARRISON, Notary Public
My commission expires: 9/27/2020




SAMANTHA K. BRUMBAUGH
NCSB # 32379

Sworn to and subscribed before me,
this the 3rd day of May, 2016.


JANE L. HARRISON, Notary Public
My commission expires:

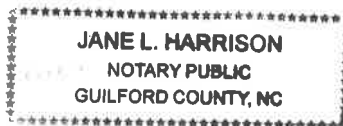


EXHIBIT B

Funds Paid to Ivey, McClellan, Gatton & Siegmund

Pre-Petition Fees and Expenses 2014-2016	\$ 35,000.00
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Filing Fee	<u>\$ 1,717.00</u>
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Total Taken by Ivey McClellan	<u>\$ 33,283.00</u>
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Remaining in Trust (Paid May 3, 2016)	\$ 2,500.00
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DISCLOSURE OF COMPENSATION STATEMENT
EXHIBIT

The owners advanced funds on behalf of the Debtor, Tri-G Group, LLC, to pay pre-petition attorney fees and have agreed to pay up to a total of \$50,000 for pre-petition and post-petition fees if funds are not otherwise available. The owners will not be seeking reimbursement from the Debtor. Upon information and belief, the owners, Dian H. Gulick, Garen G. Gulick, Guy G. Gulick, Guy S. Gulick, Kathy L. Corron, Monty C. Corron, Ronda R. Gulick and Sheila A. Gulick reached an agreement with Capital Bank, N.A., to advance these funds and place the Debtor into a Chapter 11 and, in turn, the secured creditor agreed not to pursue any guaranty liability

BIOGRAPHICAL INFORMATION OF CHARLES M. IVEY, III

A. Education and General Background:

1. Licensed to practice law in the State of North Carolina and in Federal Courts since 1978
2. Partner in the Greensboro law firm of Ivey, McClellan, Gatton & Talcott, L.L.P. having graduated from the School of Law of Wake Forest University in 1978
3. Member of the North Carolina Bar Association, Greensboro Bar Association, Commercial Law League, American Bankruptcy Institute, National Association of Bankruptcy Trustees and Turnaround Management Association
4. Currently a member of the panel of bankruptcy trustees for the Middle District of North Carolina (originally appointed in 1982)
5. Recognized as an AV® rated attorney by Martindale-Hubbell, recognized in the Bar Register of Preeminent Lawyers, recognized in the field of bankruptcy law in the publication of The Best Lawyers in America, as a member in the Society of Outstanding Lawyers of America, and Top Lawyer by Corporate Counsel.
6. Business Bankruptcy Specialist certified by the American Board of Certification

B. Continuing Legal Education and Related Lectures:

Charles M. Ivey, III has lectured and prepared manuscripts at numerous continuing legal educational functions which have been sponsored by the North Carolina Bar Association, the National Business Institute, Inc., the North Carolina Association of Savings and Loans Institutes, the National Association of Bankruptcy Trustees, Wake Forest University, and the Turnaround Management Association. The topics have involved:

Statewide Programs: "Chapter 11/How to Make it Work, "Bankruptcy Law Update, A Practical Review of the Bankruptcy Amendments and Federal Judgeship Act of 1984," "Chapter 7 Proceedings from the Trustee's Perspective," "When and How Creditors Can Exercise the Right of Setoff," "Avoidance Powers §544 and §522(f)," "Preparing for Bankruptcy: A Practical Guide, "Retirement Plans, IRA's, Keogh Plans and Spendthrift Trusts," "Consumer Bankruptcy Valuation Issues," Valuation of Business Assets in Chapters 7, 11, 12 and 13," DIP Attorney for the First Chapter 11 Symposium, "The Chapter 11 Adventures of a N.C. Textile Manufacturer," "Prepetition Workout Agreement, the Debtor and Creditor Perspective";

National Conference: National Association of Bankruptcy Trustees, Annual Conference 1991, Topic: "Insider Through Control"; Annual Conference 1994, Topic: "Trustee Issues"; Annual Conference 1998, Topic: "Tenants by the Entirety: Joint Claims, One Debtor; Liquidation and Payment Issues";

Turnaround Management Association 1998 Conference Topic: "Valuation/Confirmation Testimony"; Turnaround Management Association 1999 Conference Topic: "How to Handle Yourself in Court: What Judges and Attorneys Expect," "Alternatives to Bankruptcy," American Bankruptcy Institute, and Financial Service Professionals Conference on "When Bankruptcy and Insolvency Collide with Trust and Estate Planning."

C. Teaching Positions:

Charles M. Ivey, III taught two semesters (part-time position) of business law at North Carolina A&T State University. He has lectured on bankruptcy law and insolvency proceedings at Wake Forest University School of Law, North Carolina A & T State University, the University of North Carolina at Greensboro (both graduate and undergraduate levels), Guilford College, and at Guilford Technical Community College.

D. Authorship:

- (1) Initial contributing author to North Carolina Bankruptcy Practice Manual,
- (2) Contributing author to Law Practice Handbooks, Inc., Commercial Litigation in North Carolina,
- (3) Co-author for NAB Talk, Fall 1998, "Tenants by the Entirety, Joint Claims, One Debtor-Liquidation and Payments Issues,"
- (4) Contributing author to Articles relating to Bankruptcy Issues for Disclosure Statement.

E. Receivership, Trustee Activities and Chapter 11 Activities

Served as a trustee in Chapter 7 bankruptcy cases since 1980 and has been appointed by the Court to act as Chapter 11 trustee in several matters. Has been appointed as State Court Receiver in previous matters and has provided manuscripts and spoken at state and national continuing legal education conferences on topics which include receiverships. As Trustee, Receiver, or debtor's counsel in Chapter 11 cases, Charles M. Ivey, III has been responsible to large and small business matters, varying types of commercial litigation involving bankruptcy avoidance actions and litigation involving fraud, breach of fiduciary duties, state law fraudulent conveyances, unfair and deceptive trade practices, and general contract disputes. The businesses have involved all types including manufacturing, retail, real estate development, entertainment, hotels, restaurants and medical related entities (includes hospitals, assisted care facilities and medical practices).

F. Committee Positions:

Council member for Bankruptcy Section 1982-1984, 1998-2000, Bankruptcy Section Continuing Legal Education Committee 1983-1984, Member of Bankruptcy Law Specialization Committee 1998-2003.

G. Specialization:

Recognized by the North Carolina State Board of Legal Specialization as a Certified Specialist in Business and Consumer Bankruptcy Law since 1995.

H. Awards:

Recognized by the National Academy for Bankruptcy Attorneys in 2014 with Nationally Ranked Top 10 Attorney Awards

AFFIDAVIT OF EXPERIENCE OF SAMANTHA KARI BRUMBAUGH

1. Mrs. Brumbaugh is a partner in the Greensboro law firm of Ivey, McClellan, Gatton & Talcott, L.L.P., having received a Bachelor of Arts Degree in Political Science and Sociology from the University of North Carolina Greensboro in December of 1999 and a Juris Doctor Degree from Florida Coastal School of Law in May, 2004.

2. Upon graduation from law school, Mrs. Brumbaugh was employed by Wayne E. Crumwell in Reidsville, North Carolina, until sitting for the North Carolina Bar Exam in February, 2004. In April, 2004, Mrs. Brumbaugh became a member of the North Carolina State Bar and has been a member since that date. Once she became a licensed attorney, she began practicing as a sole practitioner in Eden, North Carolina and later became a partner in the Eden law firm of Cairo, Brumbaugh & Stroupe, P.L.L.C. In June, 2011 Mrs. Brumbaugh again became a sole practitioner until April, 2012 when she joined the Greensboro law firm of Ivey, McClellan, Gatton & Talcott, L.L.P.

3. Mrs. Brumbaugh is a member of the Rockingham County Bar Association and North Carolina Bar Association.

4. Mrs. Brumbaugh was admitted to the North Carolina State Bar before the United States District Court for the Middle and Eastern Districts of North Carolina in 2004. She represents individuals in domestic and criminal matters and consumers and non-consumers in bankruptcy.

5. Mrs. Brumbaugh has attended various continuing legal education seminars devoted to bankruptcy.

CERTIFICATE OF SERVICE

THIS IS TO CERTIFY that the undersigned has served a copy of the APPLICATION BY DEBTOR-IN-POSSESSION TO EMPLOY ATTORNEYS upon all addressees listed below and on attached Exhibit A by depositing the same, enclosed in a post-paid wrapper properly addressed to the parties at the addresses shown on the attached Exhibit A, in a post office or official depository under the exclusive care and custody of the United States Post Service in the mail prescribed by law or by case management electronic notice, as noted below:

William P. Miller, Esq.
U. S. Bankruptcy Administrator
101 South Edgeworth Street
Greensboro, NC 27401

CM/ECF

All Addressees listed on Exhibit A

First Class Mail

This the 4th day of May, 2016.

/s/ Charles M. Ivey, III

Charles M. Ivey, III

Attorney for Debtor

NCSB #8333

Ivey, McClellan, Gatton & Siegmund, LLP

PO Box 3324

Greensboro, NC 27402

Telephone: 336-274-4658

Facsimile: 336-274-4540

EXHIBIT A TO CERTIFICATE OF SERVICE

Keith & Gwen Hoyt
1045 Quandary Trail
Graham NC 27253-9524

Helvey & Associates, Inc.
1015 E. Center St.
Warsaw IN 46580-3420

Capital Bank NA
445 S. Main Street
Burlington NC 27215

Capital Bank NA
445 S. Main St.
Burlington NC 27215

Otis Elevator Company
1 Farm Springs Road
Farmington CT 06032

County of Alamance
Office of Tax Administrator
124 W. Elm Street
Graham, NC 27253-2802

Guy S. Gulick
9554 Snow Camp Rd.
Snow Camp, NC 27349

Access Receivables Management
PO Box 1377
Cockeysville, MD 21030-9998

North Carolina Department of Revenue
Attn: Legal Department
501 N Wilmington St
Raleigh NC 27604

Monty Corron
3221 Boywood Rd.
Graham NC 27253

Town of Swepsonville
2747 Darrell Newton Dr.
Graham, NC 27253

Internal Revenue Service
Centralized Insolvency
2970 Market Street
Mail Stop 5-Q30.133
Philadelphia, PA 19104-5016

First Bank
18 Chatham Corners
PO Box 1757
Pittsboro NC 27312

Time Warner Cable
PO Box 70871
Charlotte NC 28271-0871

Securities & Exchange Commission
Atlanta Regional Office
950 East Paces Ferry, N.E. Suite 900
Atlanta, GA 30326-1382

Guy S. Gulick
4508 Old 421 N.
Siler City, NC 27344

Revels Turf & Tractor, LLC
2217 N. Main St.
Fuquay Varina, NC 27526

Internal Revenue Service
Centralized Insolvency
PO Box 7346
Philadelphia, PA 19101-7346

Garen G. Gulick
9554 Snow Camp Rd.
Snow Camp, NC 27349

Helvey & Associates, Inc.
1015 E. Center St.
Warsaw, IN 46580-3420

Town of Swepsonville
PO Box 282
Swepsonville NC 27359

Gulick Excavating, Inc.
9554 Snow Camp Rd.
Snow Camp, NC 27349

Lowes Companies Inc.
1000 Lowe's Blvd.
Mooresville NC 28117-8520

FDIC Office of Ombudsman
E-2022
3501 Fairfax Dr.
Arlington, VA 22226

Alamance Co. Tax Dept.
124 W. Elm Street
Graham, NC 27253

PSNC Energy
PO Box 100256
Columbia, SC 29202-3256

Federal Deposit Ins. Co.
Legal Division
3501 Fairfax Dr.
Room VS-E-6097
Arlington, VA 22226

N.C. Dept of Revenue
PO Box 1168
Raleigh, NC 27602

Federal Deposit Ins. Corp.
Division of Resolutions and Receivership
1601 Bryan St.
Dallas, TX 75201

Internal Revenue Service
Centralized Insolvency
PO Box 7346
Philadelphia, PA 19101-7346

U.S. Attorney's Office
c/o Civil Process Clerk
101 S. Edgeworth St., 4th Fl.
Greensboro, NC 27401

N.C. Dept. of Revenue
PO Box 25000
Raleigh, NC 27640-0002

Secretary of Housing & Urban Dev.
451 Seventh Street SW
Washington, DC 20410

Town of Swepsonville
c/o F. Paul Koonts
3493 Forestdale Dr. Ste. 103
Burlington, NC 27215

Internal Revenue Service
Insolvency Dept.
4905 Koger Blvd.
Suite 102, Mail Stop 9
Greensboro, NC 27407